

DoD EVM Policy Update

May 23, 2019

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Deputy Director for EVM
Acquisition Analytics and Policy



► Topics to be Discussed

- Organization
- EVM Policy Initiatives
- Questions



EVM: Earned Value Management

A Division of the Office of Acquisition, Analytics and Policy (AAP)



- Policy & Guidance
- About EVM
- Training
- EVM-CR **We've Moved!**
- Contact Us
- EVM-CR Log In
- Request Account

EVM is one of the DoD's and industry's
MOST POWERFUL
program planning and management tools



ALERT

Potential Scam

We have been advised that an individual may be impersonating Mr. John McGregor, Director of Earned Value Management Division by email and/or telephone in an attempt to obtain software/equipment/etc. This office does not issue solicitations or buy directly. The Pentagon Force Protection Agency advises you contact your local law enforcement office if you question the legitimacy of a request or solicitation. Also, forwarding a copy of the suspect email to OSD.DODEVM@mail.mil enables the Department to track the email as a phishing attempt.

Featured Resources

- EVM Implementation Guide**
The EVMIG includes guidance for applying EVM requirements to contracts, analyzing program performance, and baseline review plus other post award activities.
- Agile and EVM: A PM's Guide**
Agile and EVM: A Program Manager's Guide, produced by AAP (formerly PARCA) and recently revised with two additional chapters on Metrics and IBRs

Welcome to the AAP EVM Division

Earned Value Management (EVM), a division of **Acquisition, Analytics and Policy (AAP)** in the Office of the Assistant Secretary of Defense for Acquisition (ASD(A)) serves as the Department of Defense (DoD) focal point for all policy, guidance, and competency relating to EVM.

Earned Value Management is one of DoD's and industry's most powerful program planning and management tools. The purpose of EVM is to ensure sound planning and resourcing of all tasks required for contract performance. It promotes an environment where contract execution data is shared between project personnel and government oversight staff and in which emerging problems are identified, pinpointed, and acted upon as early as possible. EVM provides a disciplined, structured, objective, and quantitative method to integrate technical work scope, cost, and schedule objectives into a single cohesive contract baseline plan called a Performance Measurement Baseline (PMB) for tracking contract performance.



John S. McGregor
Deputy Director
EVM Division
[Full biography](#)

<https://www.acq.osd.mil/evm>



Mission

Lead, communicate, and improve Integrated Program Management practices for the Department of Defense by issuing guidance, policies, and procedures that promote visibility and accountability of program cost, schedule, and technical performance.

Organizational Pillars



Policy & Guidance

Develop, publish and maintain DoD policy and guidance on EVM application and reporting.



Communication & Outreach

Inform government and industry stakeholders on EVM policy, reporting and competency.



Program Interface

EVM applicability determination; assist programs with EVM use and reporting; Resolve interpretive differences in EVM policy.



IPM Methodologies

Provide guidance and insight into Integrated Program Management (IPM) methodologies, including Agile and Earned Value Management (EVM).



IPM Data Governance

Manage the EVM-CR as the authoritative EVM data source for ACAT I programs; Maintain data governance for EVM data.



Functional Leadership

Develop and maintain a competency model which guides training, education and skills for the workforce.

Vision and Values

We aim to be the most accessible, reliable, innovative, and progressive organization, fostering open communication and transparency for comprehensive Integrated Program Management education, policy, and guidance.



Innovation



Consistency / Reliability



Teamwork



Precision / Quality



Integrity / Personal Accountability



Collaboration

► Strategic partnerships across the EVM Value Stream

**Our
Mission
Has Not
Changed!**



***Working across DoD Services/Agencies, Federal Agencies,
and Industry to facilitate the effectiveness of EVM for joint
situational awareness and program decision making***

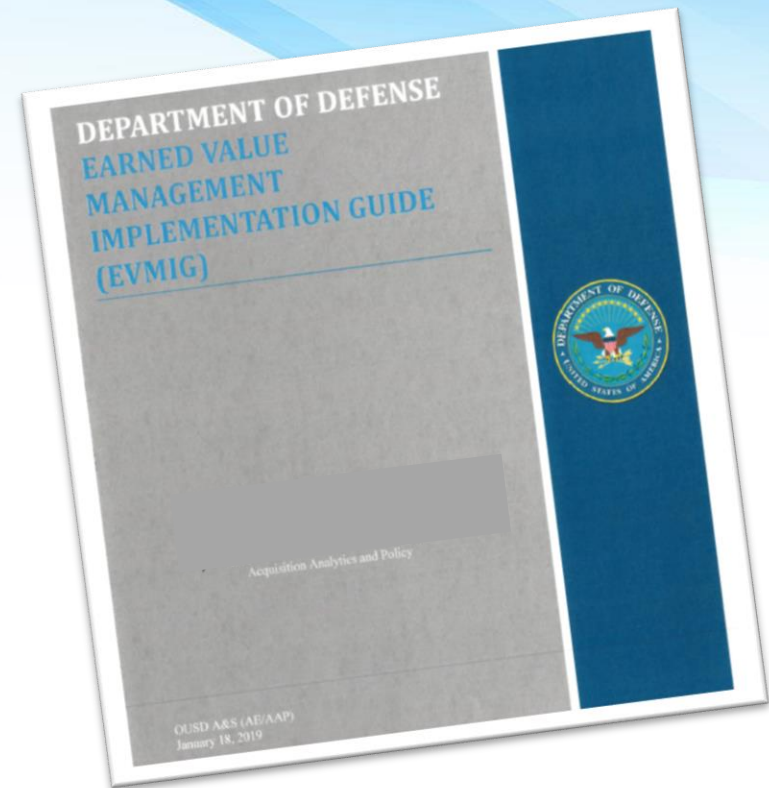
DoD EVM Policy

EVM Policy Initiatives



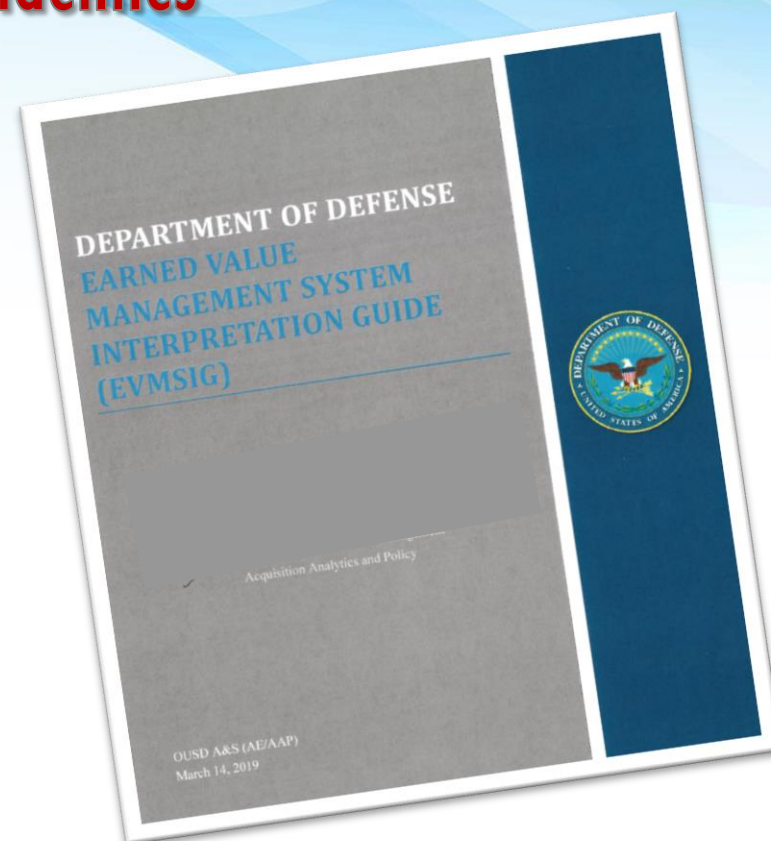
► DoD EVMIG provides guidance for the application and execution of EVM in the Department

- Involved Government and Industry stakeholders across EVM community
- Provides a description of EVMS concepts, as well as, guidance for implementing EVM in the DoD
- Published January 2019



▶ DoD EVMSIG is used as the basis for the DoD to assess compliance to the 32 EVMS Guidelines

- Involved Government and Industry stakeholders across EVM and compliance communities
- Administrative Changes
- Published March 2019



Continue to submit comments for comprehensive update next Government Fiscal Year

DoD EVM Policy

IPMR2 Initiative



► Goals:

- Provides option for incremental/staggered deliveries to enhance improved ability to assess and analyze actionable data
- Have the right conversation

► IPMR Update Next Steps

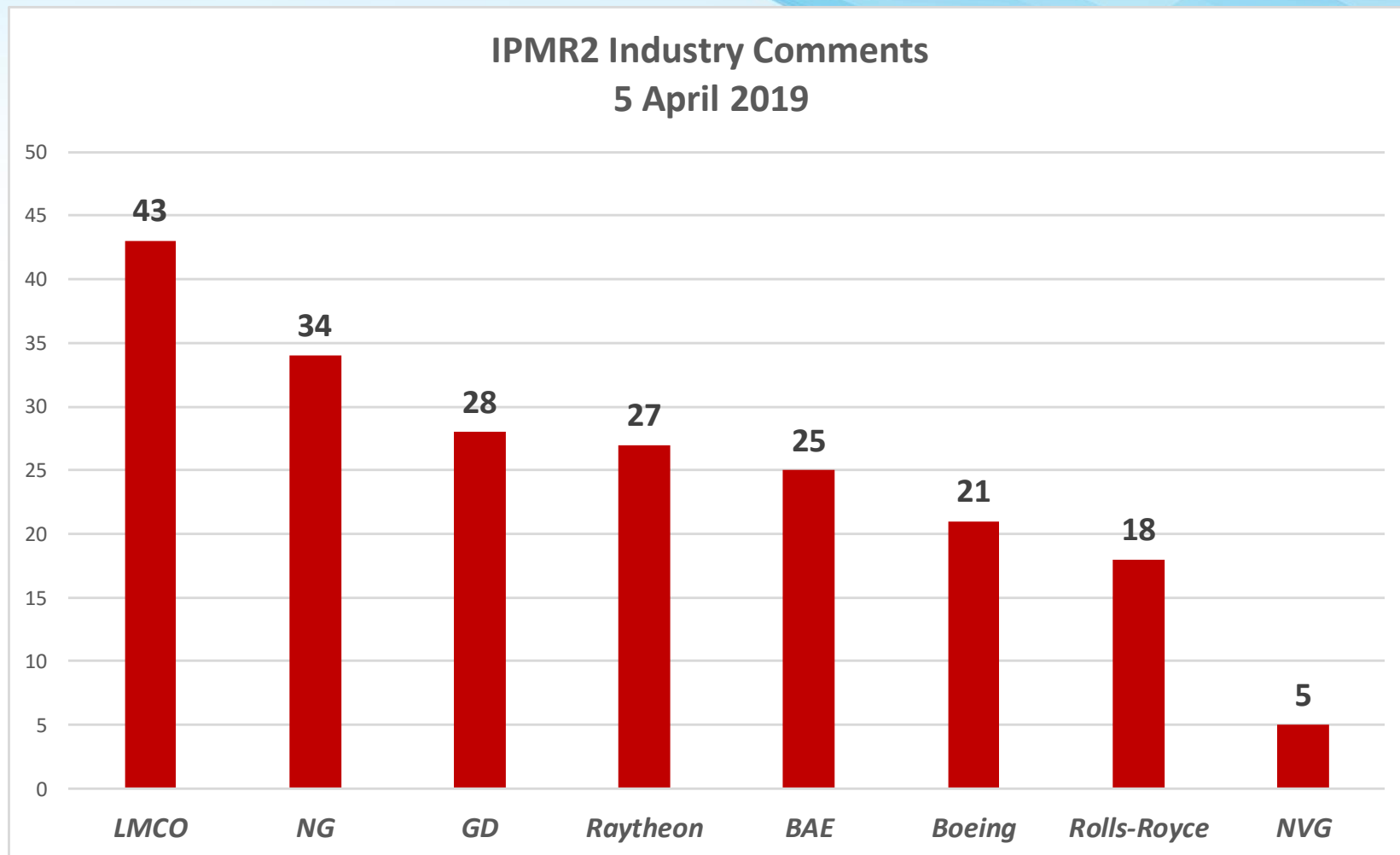
1. Adjudicate DEI and File Specification (May 2019)
2. IPMR2 EVM-CR database integration/development (July 2019)
3. Conversion/export utilities (July 2019)
4. Publish IPMR2 (August 2019)

Phased delivery options of IPMR data facilitates earlier situational awareness and discussion

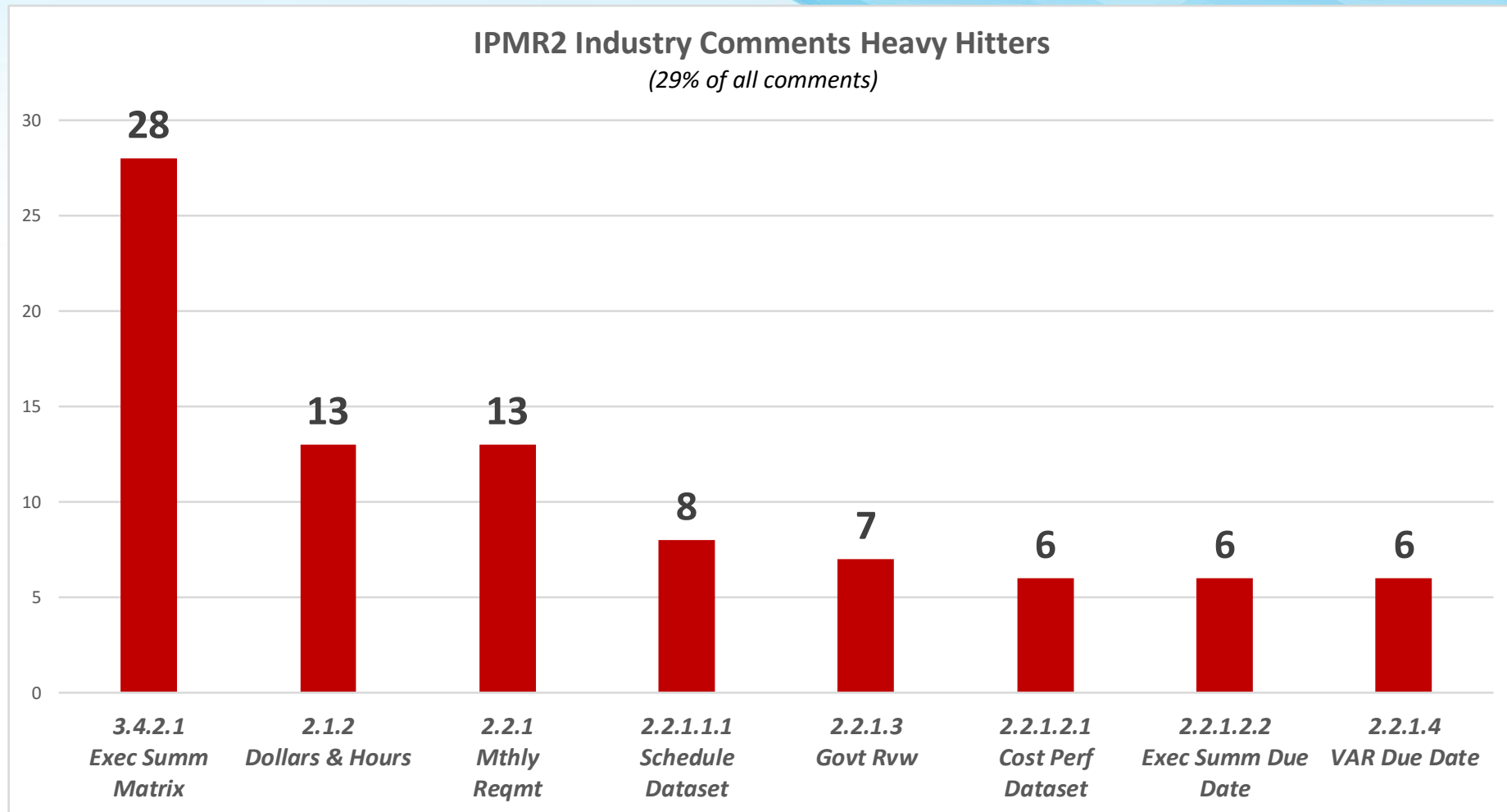
- **Industry Submissions**

- **Boeing**
- **Lockheed-Martin**
- **BAE Systems**
- **Raytheon**
- **Rolls-Royce**
- **Northrop Grumman**
- **New Vistas Group**
- **General Dynamics**

• Industry Comments (200+ comments)



• Industry Comments



- **Industry Highlights**

- **3.4.2.1 – Executive Summary Matrix**

- *“Technical performance summary?? This is a slippery slope on what the content should contain as the content of what they list here is broad and could dive into pages and pages of information.”*
- *“Technical requirements don’t change very often”*
- *“Listing all reasons for an EAC change by control account seems to be asking for a VAC analysis for each control account.”*
- *Matrix – “Concerned that some of the requested information (either required or optional) could quickly expand the volume of the Executive Summary.”*
- *Matrix – “The Risk/Opportunity requirement should be separate from the IPMR. The Comprehensive EAC review/update cycle is specified in the EVMSD.”*
- *Programmatic Information – “Open ended requirement. Where does this stop - they can ask for and require any document we produce to be part of the IPMR Monthly Submittal”*

- **Industry Highlights**

- **3.4.2.1 – Executive Summary Matrix**

- *“Providing action items associated with the IBR and their respective statuses has the potential of being massive. IBRs can have up to 100 action items. Recommend removing or at least putting a cap on this”*
- *“Concern that significant baseline change reporting remains undefined and requires that pre-award tailoring which more often than not does not occur.”*
- *“What is the difference between Most Likely EAC (MLEAC) and Management EAC?” Recommend deleting (if different than Management EAC)*
- *Excluded Costs – “EVMSIG does not identify at risk costs”*

- **Industry Highlights**

- **2.2.1 – Monthly Requirement**

- *“There is a risk to meeting the 5 day deadline. The program will not be able to incorporate status and complete analysis. The program will not be able to fully reconcile between cost and schedule and run the necessary checks to ensure data integrity.”*
- *“Is the 10 day dataset expected to be final or preliminary? Supplier data will need to be on a 30 day lag, in order to meet this requirement. Current financial EAC process does not allow us to meet the 10 day requirement.”*

- **Path Forward**
 - **AAP hosted Round 2 of the adjudication process May 15-16 at Tecolote Crystal City office**
 - **Government Attendees (1 each from):**
 - Air Force, DAU, DCMA, NRO, NGA & NAVAIR, Navy EVM COE
 - **Industry Attendees**

• Vaugh Schlegel	LMCO
• Scott LaFrance	BAE
• Dan Lynch	Raytheon
• Randy Steeno	Boeing

- **Path Forward**
 - **Adjudication Team to reconvene mid June**
 - **AAP targeting Q4 2019 release**



**Are there
any
questions?**



Need Help?

Do you have questions about EVM policy and guidance, how to analyze and interpret EVM data, or how to apply EVM policies to a new contract? **Contact the AAP EVM Division** for answers!

EVM Policy Interpretation
EVM Applicability
Acquisition Strategies

General EVM Policy Questions
EVM Report Tailoring
EVMS Compliance Applicability

OSD.DODEVM@mail.mil

<https://www.acq.osd.mil/evm>

Acquisition Exchange Program

Program **Summary**

Acquisition, Analytics and Policy (AAP) Acquisition Exchange Program (AEP) provides a unique career-development experience for high-caliber individuals in acquisition and acquisition-related career fields.

Program **Objective**

The AEP provides experience in the Department's executive-level MDAP decision process and implementation of DoD-wide acquisition policies. The assigned projects offer selected applicants the opportunity to enhance acquisition and senior-level policymaking skills, develop managerial and leadership skills, and prepare for future positions within the acquisition community. This opportunity is open to all career fields.

The AAP AEP provides selected applicants the opportunity to:

- Interact with senior officials within DoD and throughout the Federal Government.
- Develop a thorough knowledge of EVM policy development and execution.
- Enhance the skills needed to prepare, advocate, and revise policy practices and procedures.
- Promote different perspectives within acquisition policy decision-making, while engaging in a career-broadening experience.

